



## CONGRESSIONAL HEARING RESUME

106th Congress; Second Session

9 Mar 00

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**SUBJECT:** Hearing on Civilian Personnel Readiness

**COMMITTEE:** House Armed Services Committee, Subcommittee on Military Readiness;  
House Government Reform Committee; Subcommittee on Civil Service

**CHAIRMAN:** The Honorable Herbert Bateman

**MEMBERS PRESENT (bold face):**

### REPUBLICANS

**Subcommittee on Military Readiness**

<b>Saxby Chambliss (GA)</b>	Tillie Fowler (FL)	<b>Solomon Ortiz (TX)</b>
Walter Jones (NC)	James Talent (MO)	Norman Sisisky (VA)
Bob Riley (AL)	Terry Everett (AL)	John Spratt (SC)
Duncan Hunter (CA)	Jim Gibbons (NV)	<b>Owen Pickett (VA)</b>
James Hansen (UT)	Don Sherwood (PA)	<b>Robert Underwood (GU)</b>
Curt Weldon (PA)		Rod Blagojevich (IL)

### DEMOCRATS

Adam Smith (WA)  
James Maloney (CT)  
Mike McIntyre (NC)  
**Ciro Rodriquez (TX)**

**Subcommittee on Civil Service**

Joe Scarborough (FL)	Asa Hutchinson (AR)	<b>Elijah Cummings (MD)</b>	<b>Eleanor Norton (DC)</b>
Constance Morella (MD)	<b>John Mica (FL)</b>	Thomas Allen, (ME)	
Dan Miller (FL)			

**WITNESSES:**

**PANEL 1**  
**Mr Frank Cipolla, Director, Center for Human Resources Management, National Academy of Public Admin**  
**Mr Michael Brostek, Associate Director, Federal Management and Workforce Issues, GAO**  
**Mr Barry Holman, Associate Director, Defense Management Issues, GAO**

**PANEL 2**  
**Dr Diane Disney, Deputy Assist SecDef, Civilian Personnel Policy**  
**Mr David Snyder, Deputy Assist SecArmy, Civilian Personnel Policy**  
**Ms Betty Welch, Deputy Assist SecNavy, Civilian Personnel Policy**  
**Ms Mary Lou Keener, Deputy Assist SecAF, Force Management and Personnel**  
**Mr David Cooke, Director of Admin and Management for the SecDef**

Information contained in this resume was obtained during an open hearing. It will not be released outside of Department of Defense agencies until published hearing transcripts have been released by the Committee, and only to the extent it is in accord with published hearing procedures.

**Prepared by:** Col Michael G. Anderson      **Date:** 9 Mar 00      **Phone number:** 703-697-7950

## **EXECUTIVE SUMMARY**

These two subcommittees met jointly to:

- Review DoD legislative proposals
- Provide an overview of aging workforce issues, update regionalization initiative, review morale in the workforce in face of extensive downsizing and contracting out
- Review downsizing status, numbers of involuntary separations, past and future projected downsizing relative to contracting out

The first panel provided expert testimony on workforce shaping issues; the second panel provided testimony from senior DoD civilian personnel leadership. All echoed the importance our civilian members in providing and supporting the readiness of our military forces. Overall, the hearing went very well; Ms Keener's testimony was on target in articulating the Air Force's three pronged approach in shaping our civilian workforce.

The Subcommittees were called to order at 1305.

## **OPENING REMARKS**

### **Chairman Bateman**

- Restated the interest of the committees in reviewing the effect of the drawdown on DoD and, in particular, the effect on military readiness
- Indicated he wanted to hear what DoD was proposing in the arenas of military retirements, accessions, and people development
- He also wanted to know what has been learned in DoD demonstration projects

### **CM Mica**

- Also stated his interest in effects of the reduction of civilian personnel in DoD
- Expressed his concern in a hollow support system"
- Stressed the importance of the optimum mix of skills, contractor, and organic capabilities in the civilian workforce
- Stated his desire to understand and clarify statements about an aging workforce"(read older"workforce in age)

### **CM Ortiz**

- Expressed his concern with the increasing age of civilian workforce employees
- Wanted to ensure that testimony also talked to blue collar"workforce members

### **CM Cummings**

- Repeated interest in civilian force downsizing and the net effect upon military readiness

## **PANEL 1 WITNESS STATEMENTS**

### **Mr Cipolla**

- Civilian workforce must be composed of the right mix of skills
- The right mix of skills must be linked to requirements; those requirements to a strat plan
- Civilian workforce requirements must include an assessment of external factors to include future trends and projections
- Need to take flexible employment opportunities into account to make positions more attractive
- Managers need to be provided with maximum flexibility to manage their workforce

- Human capital development needs to be a high, strategic priority
- When developing retirement incentives, will need to ensure these support needed skills

**Mr Brostek, Mr Holman**

- DoD faces challenges that must resolved through strategic planning
- Discussed strategic planning process
- Civilian force leadership development programs also required
- Employer will need to be trained in human capital policies and practices

**PANEL 1 QUESTIONS/COMMENTS/OBSERVATIONS**

**CM Bateman.**

Q. Where does workforce planning begin/end?

A. Throughout the workforce. A Feb 2000 DSB report stated that DoD had no overarching strategic vision for civilian force management.

Q. Any info on benefits or detractors associated with telecommuting?

A. Varies with results, area, extent of technology.

**CM Ortiz.**

**Comment.** Issue of an aging workforce needs more analysis

Q. Is there a shortage of technical workers.

A. Yes, and need buy outs for those skills not needed.

Q. Is there enough authority now to maintain a balance of the proper skills needed in DoD?

A. There needs to be more emphasis in retraining

Q. Comment on flexible scheduling.

A. Difficult to comment on but methods have focused on different schedules for days, time, filling a vacancy with 2 vs. 1, and telecommuting

**CM Underwood**

**Comment.** Expressed concern over definition of inherently governmental functions.”Expressed concern over ordnance handling being proposed for A-76 action (Navy) at Guam and his belief that this kind of function should be inherently governmental.

- GAO indicated the definition varies from government agency to government agency

**PANEL 2 WITNESS STATEMENTS**

**Dr Disney**

- Age of the force is up; over 1/3 are age 51 or older
- Force is more highly educated
- Grade levels are creeping higher
- Thanked Congress for PPP/VSIP/VERA ... DoD has used these tools to manage the workforce
- About to enter a ‘rightsizing’ phase; includes force shaping, regionalization, and systems modernization

### **Mr Snyder**

- Went over civilian workforce reductions (406K to 220K since 1989 - 42%); 43K civilians forward stationed
- Expressed need to increase recruitment; has an intern program but number of interns brought in has gone down over the past several years

### **Ms Welch**

- Went over civilian workforce reductions (230K to 185K since 1989 - 24%)
- Used PPP/VERA/VSIP to help achieve reductions
- Use of involuntary RIF down to 17%
- Faced with high numbers of retirement eligibles
- Initiatives: workforce development, flexible work arrangements, dispute resolution

### **Ms Keener**

- Civ force is part of AF Total Force
- AF has civilian workforce shaping plan that includes a three-pronged attack
- Force renewal, skills development, and separations management
- Prepared to target voluntary incentives to achieve precise targets and shape the workforce

## **PANEL 1 QUESTIONS/COMMENTS/OBSERVATIONS**

### **CM Bateman**

Q. Are there more reductions projected for the future; are these reductions mandated by Congress or a result of DoD management?

A. A force reduction of 11% is projected from FY99 into the future; while DoD manages most of the reductions based on the budget approved by the Congress, Congressional actions have mandated cuts in the HQ and acquisition staffs. DoD would prefer not to have these kinds of limits.

### **CM Mica**

- Comments focused primarily on DoD providing incentives for civilian members not to retire, to stay in. Cited training costs, retaining experience, etc as factors to consider
- Observation. Dr Disney noted that DoD is just now beginning to look very seriously at shaping the civilian workforce; there has typically been a focus on the military. The factors considered and modeled are different between the civilian and military workforce.

### **CM Cummings**

- Comments focused on providing present workforce with training and retraining opportunities.

### **CM Underwood**

- Again focused on definition of inherently governmental functions
- Expressed difficulty Guam has in getting specialized skills for functions that the government has managed in the past. Note: The CM fears that these kinds of functions will be done by contractors outside his district with employees from outside his district

### **CM Chambliss**

- Questioned Ms Keener about contracting out functions at a depot. She responded with answers consistent with the SECAF's testimony on 50/50 and indicated the AF would not go beyond the requirements of the 50/50 legislation

- Questioned how the AF would achieve the right balance of skills. Ms Keener reemphasized the AF's strategic plan to shape the workforce using three processes -- accessions, development, and separations
- Questioned if the AF was considering a surge capability in its planning. Ms Keener responded that while we had previous shortages in specific high-tech skills, future force planning would be based on ensuring a surge capability based on mission needs.
- Question directed at Ms Disney focused on pay structure at WR-ALC as compared with Atlanta -- why is there a difference. Ms Disney provided a good summary of the process.

## **TASKINGS**

- None for USAF
- USN will get back with CM Underwood to discuss inherently governmental definition as it applies to the ongoing A-76 in his district
- DoD will provide data to the committee about the reduction of the civilian workforce since 1989
- DoD owes a response to the committee on the number of contract personnel who have replaced the civilian workforce as a result of outsourcing (NDAA FY00, page 60, sec 363)

The hearing concluded at 1540.